



This document is scheduled to be published in the Federal Register on 12/29/2014 and available online at <http://federalregister.gov/a/2014-30342>, and on FDsys.gov

Billing Code 4210-67
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5819-N-01]

Waivers and Alternative Requirements for the Family Self-Sufficiency Program

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: Previously, the Family Self-Sufficiency Program was administered as two separate programs—one for Housing Choice Voucher (Section 8) participants and one for Public Housing participants. Appropriations for the Family Self-Sufficiency (FSS) program in the Consolidated Appropriations Act, 2014, provided, however, that the two programs be merged into one program under a separate line item. The Consolidated Appropriations Act, 2014, also provided that the Secretary could, by Federal Register notice, waive or specify alternative requirements under specific sections of the United State Housing Act of 1937 in order to facilitate the operation of a unified Family Self-Sufficiency program. Based on this authority, HUD has unified these programs. This notice provides waivers and alternative requirements to facilitate the operation of a unified self-sufficiency program.

DATES: This notice is effective: **[Insert date of publication in the FEDERAL REGISTER.]**

FOR FURTHER INFORMATION CONTACT: Anice Chenault, FSS Program Manager, at Anice.S.Chenault@hud.gov, Office of Public Housing Investments, Department of Housing and Urban Development, 451 7th Street, SW, Room 4120, Washington, DC 20410, telephone number 202-402-2341 (this is not a toll-free number). Persons with hearing- or speech- impairments may access this number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

SUPPLEMENTARY INFORMATION:

I. Background

Approximately \$75 million in appropriations was made available for HUD's (FY) 2014 FSS program, in the Consolidated Appropriations Act, 2014, (Pub. L. No. 113-76, 128 Stat. 5, enacted January 17, 2014). Previously HUD administered the FSS program as two separate programs—one for Housing Choice Voucher (Section 8) participants and one for Public Housing participants. Consolidated Appropriations Act, 2014 provided, however, that the two programs be merged into one program under a separate line item. The objective of the FSS program is to enable participating low-income families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, and other forms of social service assistance, while living in assisted housing, so they can obtain skills necessary to achieve self-sufficiency.

II. Applicable Rules, Statutes, Waivers, and Alternative Requirements

To facilitate the operation of a unified self-sufficiency program, the Consolidated Appropriations Act, 2014, authorizes the Secretary to waive, or specify alternative requirements of the sections (b)(3), (b)(4), (b)(5) or (c)(1) of Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) (1937 Act). Under this authority, the Secretary hereby authorizes the following waivers and alternative requirements, which has the effect of modifying the FSS statute.

1. Waiver allowing the Alternative requirement to permit families in either the public housing or Housing Choice Voucher program to count towards compliance with public housing agencies'

(PHAs') mandatory FSS participation level and its reduction. HUD is providing an alternative requirement to Sections 23(b)(3) and (b)(4) to allow public housing agencies to operate a unified FSS program that combines the number of families under the formerly separated programs and formerly count graduating participants from either rental assistance program to both fulfill their mandatory program size requirements and subsequently reduce the program size in accordance with Section 236(b)(4). Without such a policy, PHAs would have to continue the separate tracking of families from each program, which would be unnecessarily burdensome. Moreover, this flexibility will allow some PHAs that have had difficulty meeting program requirements to come into compliance, and enable more families to benefit from FSS. This will apply to all PHAs, including those that administer only a single FSS program now and choose to expand to serve residents from the other rental assistance program. For example, if a PHA serves voucher participants only through their FSS program and the PHA expands its FSS program to public housing residents as well, then the PHA may count both its voucher FSS and public housing FSS graduating participants in reducing its mandatory program size.

2. Waiver allowing Alternative requirement to the timely processing of assistance. HUD is providing an alternative requirement to Section (b)(5) to provide that public housing applicants, like HCV applicants, shall not be delayed in receipt of housing assistance due to electing not to participate in FSS. Section 23 (b)(5) required no delay in admission of HCV applicants who decline to participate in FSS, but is silent about public housing admissions. Extending the existing policy to public housing applicants promotes uniformity, and also avoids the risk that some families will indicate an interest in FSS just to gain admission to assisted housing, and then not make effective use of the opportunity. It also supports the principle that participation in FSS is voluntary.

3. Waiver to allow Alternative requirements on Conditions of Participation. HUD is providing an alternative requirement to Section (c)(1) that provides that housing assistance may not be terminated or withheld as a consequence of failure to complete the Contract of Participation without good cause. Section 23(c)(1) allows PHAs to have a policy that HCV assistance may be withheld or terminated for those families that fail to comply with their FSS contracts without good cause, but does not authorize eviction of public housing tenants for FSS non-compliance. This alternative requirement will promote uniformity as well as the principle that participation in FSS is voluntary. Anecdotal evidence suggests that the risk of termination has dampened interest in FSS among HCV participants at agencies that have adopted the option, making it more difficult for PHAs to comply with FSS requirements.

Date: December 17, 2014

Jemine Bryon
Acting Assistant Secretary for Public and
Indian Housing

[FR-5819-N-01]

[FR Doc. 2014-30342 Filed 12/24/2014 at 8:45 am; Publication Date: 12/29/2014]